

## **State of Connecticut**

## **Office of Consumer Counsel**

The Joint Committee on the Environment
The Joint Committee on Energy and Technology
The Joint Committee Government Administration and Elections

March 14, 2011

## H.B. 6386, AN ACT ESTABLISHING THE DEPARTMENT OF ENERGY AND EVIRONMENTAL PROTECTION.

## **Testimony of Mary J. Healey, Consumer Counsel**

Thank you to the Chairs, Vice-Chairs, Ranking Members and Members of the Committees for this opportunity to present this testimony on behalf of the Office of Consumer Counsel.

The Office of Consumer Counsel (OCC) generally supports H.B. 6386, *An Act Establishing the Department of Energy And Environmental Protection*, and seeks a revision to include OCC as a division within the new Department of Energy and Environmental Protection ("DEEP"), renamed as the Division of Ratepayer Advocate, <u>if</u> OCC is not to be maintained in its current status as an independent agency. OCC's entire focus, like the Department of Public Utility Control's ("DPUC") focus, is on utility and energy matters of importance to the general public.

Section 42 of H.B. 6389, An Act Transferring the Responsibilities of the Division of Special Revenue, Consumer Counsel, Healthcare Advocate and Board of Accountancy to the Department of Consumer Protection, seeks to merge OCC into the Department of Consumer Protection ("DCP"). At the March 8, 2011 General Law Committee public hearing concerning H.B. 6389, OCC objected to being merged into DCP. OCC's testimony (attached hereto) provided the Committee with OCC's concerns that § 42 would irreparably harm the ratepayers' right to an independent advocate, paid for by them to be solely focused on their interests, as intended by the legislature when OCC was created 36 years ago. We ask for your support to maintain OCC as an independent advocacy agency under its current enabling statute, §16-2a.

That said, the General Law Committee asked OCC to offer an alternative approach --- one which would meet the Governor's goal to cut down the number of state agencies, while also maintaining OCC's core integrity. OCC's alternative approach would place it within the proposed DEEP, rather than DCP. OCC attaches hereto its proposed revisions to H.B. 6386, which would move OCC into the DEEP and rename OCC as the Division of Ratepayer Advocate

in order to reduce long standing confusion about OCC's mission.

OCC is singularly focused on utility and energy issues on behalf of Connecticut's utility ratepayers. As further set forth in OCC's testimony before the General Law Committee, merging OCC into DCP (an agency with a broad mandate covering many topics) would inevitably dilute OCC's highly specialized focus. Also significant is the fact that OCC is not a general fund agency, as is DCP. Rather, it is funded by an assessment on utility companies, which costs are passed on to utility ratepayers. If OCC were merged into DCP, there would be no protections to ensure that utility ratepayer funding for OCC is being spent only on work dedicated to advocacy for utility ratepayers.

OCC's work is closely bound up with that of the DPUC, thus there is less chance that OCC's core mission would be diluted if it was moved to DEEP along with the DPUC. Moreover, as further set forth in OCC's testimony before the General Law Committee, it is vital that OCC continue to be co-located with the DPUC in New Britain, as approximately 90% of OCC's work involves ongoing DPUC proceedings. Finally, both OCC and the DPUC are funded by assessments on utility ratepayer bills, and moving the DPUC and OCC together as separate divisions of DEEP should ensure that utility ratepayer money is only spent on utility ratepayer business. Thus, as a "Plan B" to OCC continuing in its current status as an independent agency, OCC should follow the DPUC into the proposed DEEP, as set forth in the attached revision to H.B. 6386.